



Chairman Robert Aderholt

*Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
House Committee on Appropriations*

FY 2015 USDA Rural Development Budget Hearing

April 4, 2014

Opening Statement As Prepared

Chairman Aderholt says, "We are all about USDA's business" as he drills down into the Administration's priorities for rural America

"At each of the hearings we have had this year, I have mentioned the three themes I am focusing on for FY 15. They include conducting robust oversight, ensuring the appropriate implementation of our laws and targeting funds to vital programs. These themes come together in Rural Development's budget request.

"Part of our oversight responsibility is to ensure USDA manages its programs well. Strong, appropriate management can prevent fraud, waste and abuse as well as build confidence in federal programs. USDA's Inspector General has encouraged all USDA agencies to focus more on managing – as opposed to just implementing – their programs.

"In particular, I believe the Rental Assistance program needs improved management. This is an important program that helps some of the neediest in rural America.

"In the budget request, USDA is proposing several changes to the program to strengthen it and control costs. I applaud USDA for making these suggestions and look forward to exploring them in detail today.

"Let me mention that Rep. Farr and I have introduced legislation – it is H.R. 2729 – to implement one of the proposals offered by USDA. The bill would allow USDA to access other federal databases to match wages and tax information. This would improve the integrity of the program by helping to ensure only those eligible receive assistance. The Ways and Means Committee is considering the bill. I hope it will be enacted this year.

"USDA is in the process of implementing the 2014 farm bill and appears to be off to a strong start. There will be many new regulations and many modifications to existing regulations to come as part of this process. Even though the Subcommittee will hold its last hearing for the year next Tuesday, we will continue to follow USDA's progress and interpretations of congressional intent.

"We have a saying in the South; parents often say it to their children. It is, 'I'm all about your business.' Well, this Subcommittee is all about USDA's business.

One issue related to congressional intent and the 2014 farm bill is USDA's proposal to consolidate several grant programs into a new Rural Business and Cooperative Grant Program. Streamlining and efficiency typically are well received by this Subcommittee. However, this

proposal was not included in the 2014 farm bill and goes far beyond existing authority. I would like to know why the Department is attempting to go down this path again when it has been denied the authority to do this more than once by Congress.

This past Monday, Member requests were due to the Subcommittee. We received almost 4,000 requests for our FY 15 bill. As we start to review them, it is clear that we cannot fund every program and certainly cannot fund some programs to the extent that many would like. But that is the job of the Subcommittee. We decide what the most important and vital programs are and do our best to provide funding for them.

Mr. O'Brien, in your written testimony, you spend nearly four pages describing USDA's efforts to support local and regional food systems. I am happy to see these new markets for producers grow. It is wonderful that we have a government and economic system in America that allows new markets to develop in response to consumer demand.

Let me be clear, I support all types of agriculture; each has its place. However, I am concerned that USDA has placed too much emphasis on local and regional food systems.

The FY 15 budget proposes dramatic reductions in some of Rural Development's core programs. The single family housing direct loan authorization level would be cut by \$540 million! Water and waste disposal grants would be cut by more than \$100 million. Yet the budget proposes to spend \$24 million to hire 250 new employees.

Of course, communities need jobs, schools, community facilities, water systems, electricity, and broadband access. These are all part of thriving rural communities. But I just hope USDA is not missing the big picture. Congress and USDA must address the core needs of rural America first before overemphasizing any one particular program, trend or idea.

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